

By Rebecca Amber September 6, 2011

Congressman Kevin McCarthy, R-Calif., visited the Mojave Air and Space Port Aug. 26 to give a brief update on political affairs to the East Kern Airport District, airport tenants and local business owners.

His main focus during that time was discussing the national deficit and his goals as long as he is in office.

According to McCarthy, in 1970, only five percent of the United States' debt was owned by other countries. Today however, almost 49 percent of our debt is controlled by foreign nations. This affects both our finances and our foreign policy.

McCarthy believes that there are two basic steps we need to take as a country. The first is to change our behavior and stop living above our means. The second is focus on a long-term goal rather than a "quick fix." The problem won't go away just making cuts. According to McCarthy, if you took away all of the funding for both the military and welfare you still wouldn't fix the debt problems. Therefore, you have to cut in the appropriate places and find ways to grow the economy in other places.

McCarthy gave the example of corporate tax rates and the consequences of investing in foreign countries. If a company makes money in a foreign land, and brings it back to America, they are taxed at 35 percent of their earnings. This makes it so that it is in the company's best interest to just reinvest in the foreign nation. However, if we changed the tax rate to five percent, the larger companies could reinvest in our nation and consequently boost our economic state. This would create a trillion dollar stimulus without borrowing any funds. This is a way of keeping the government small in order to "unshackle the private sector and let it grow."

"I think it's healthy to know what our challenges are, but I think it's also healthy to know what are our assets are so we can overcome," said McCarthy. From the end of the last recession in 2001 to the beginning of the current recession that started in 2007, America was in a time of growth. During that time, companies with 500 employees or less created 7 million jobs.

However, larger companies cut 1 million jobs. McCarthy believes that it is the small business that is the generator and innovator of jobs.

"Don't assume that the best days of America are behind us," said McCarthy. "You have to assume that we can be bigger and we can be better."

"We have freedom, that's what gives us the ability to come out of this problem. It is because we also have the freedom to fail and it should not become the job of the government to eliminate risk."

McCarthy believes that we need to make it easier for small business to succeed because it is the entrepreneurs who create jobs, not take jobs.

"It's not corporations," said McCarthy, "it is the small business, the entrepreneur, the individual who changes how we look at things. That's why I get so proud coming out to Mojave. I come here to learn and I come here to see."

According to McCarthy, to turn this country around, we need to discuss as many ideas as possible, be willing to take risks and begin to think long term. During the Civil War, Abraham Lincoln had a transcontinental railroad built. He looked to the future even though we weren't sure whether we would actually become a nation yet. "[Lincoln] looked to the future even in bad times. That's like Mojave today," said McCarthy, "Mojave looks to the future even when the rest of the country is in a low, bad situation."

McCarthy believes that the aerospace community is an opportunity to enhance the economy.

"This is always a new frontier," said McCarthy, "What the government needs to do is make sure they don't put any regulations on it that harm them from being able to go as high as they can. They need to take the risks needed and the advancements needed because overall, it will lower the cost. Their innovation will help the country and keep us first in the aerospace throughout the world."

